



March 31, 2014

Federal Communications Commission  
Washington, DC 20554

**RE: WC Docket No. 10-90: PETITION FOR EXTENSION OF TIME BY ERTA, ITTA, NECA, NTCA, USTELECOM AND WTA.**

Reply Comments of Texas Statewide Telephone Cooperative, Inc.

Texas Statewide Telephone Cooperative, Inc. (TSTCI) files this letter as reply comments, in support of the Petition for Extension of Time by ERTA, ITTA, NECA, NTCA, USTELECOM and WTA, (the "Associations") referenced above, and would respectfully ask the Federal Communications Commission (the "FCC" or the "Commission") to take urgent action to avoid unnecessary adverse impacts on support to Rural ETCs such as TSTCI's members.

TSTCI is a statewide association whose members are 36 of the small independent and cooperative telephone companies which provide telecommunications services into the vast farm and ranch rural areas of the state of Texas. Attached hereto is a list of the individual TSTCI members which is incorporated herein for all purposes. Each of TSTCI's members are rate-of-return eligible telecommunications carriers ("ETCs") and must be at the local rate floor for voice services in order to receive the full amount of high cost loop support ("HCLS"). This year, for the first time, the local rate floor was established based on information collected in the Wireline Competition Bureau's ("Bureau's") urban rate survey on local residential rates for voice services. To be in compliance, the ETCs must certify to rates in effect as of June 1, 2014.

By Public Notice on March 20, 2014, the FCC announced the results of the survey showing the average local end-user rates plus state regulated fees of the surveyed ILECs in urban areas is \$20.46. This is a \$6.46 increase from the 2013 rate floor of \$14.00. Both the rate, and the timing of any increase, are of great concern for TSTCI and its members.

Generally, TSTCI adopts, incorporates and supports the positions and arguments contained the Petition for Extension of Time filed by the Associations. TSTCI would also like to briefly emphasize a few important issues in support of the petition. TSTCI appreciates the comments by FCC Chairman Wheeler and Commissioner Pai regarding the recommendation of a postponement, and possible phase-in of the implementation of the rate floor; however, without prompt action, TSTCI's members face adverse effects that they have little or no opportunity to avoid. As the Associations pointed out in their Petition, the ETC's are not able to change rates unilaterally, but have to follow the rate regulations of the states. Texas is no different. There are limitations in place that prevent a company from raising any local rate element by more than

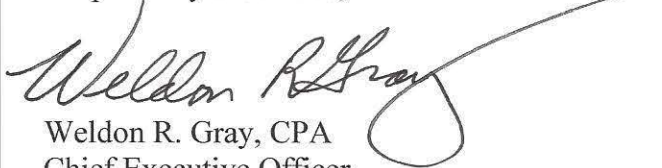
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50%, or an increase of the company's total regulated intrastate gross annual revenues by not more than 5%. These limitations were put in place in order to protect consumers.

In an informal survey of its membership, of 18 members responding, 7 of TSTCI's members would not be able to raise rates to meet the \$20.46 floor by June 1, 2014 under current law. TSTCI's members are also concerned about their customers and a continuing rate spike which will work adversely to universal service. The rate floor has more than doubled in the last two years. Without prompt action to delay the implementation of the \$20.46 rate floor, TSTCI's members will soon begin the process to at least minimize the damage and implement the largest rate increases allowable under the law without entering into a contested process. This will have an adverse effect on both the companies and the consumers.

TSTCI again emphasizes its support for the Petition for Extension of Time filed by the Associations, and would stress the need for urgent action to allow for the consideration of delayed implementation dates, a phased in approach, or reconsideration of the calculation methodology. Thank you for your consideration of these comments.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Weldon R. Gray", with a long, sweeping horizontal line extending to the right.

Weldon R. Gray, CPA  
Chief Executive Officer

**Texas Statewide Telephone Cooperative, Inc.**  
**Member Companies**

Alenco Communications, Inc.  
Big Bend Telephone Company  
Brazoria Telephone Company  
Brazos Telecommunications, Inc  
Brazos Telephone Cooperative, Inc.  
Cameron Telephone Company  
Cap Rock Telephone Cooperative, Inc  
Central Texas Telephone Cooperative, Inc.  
Coleman County Telephone Cooperative, Inc.  
Colorado Valley Telephone Cooperative, Inc.  
Community Telephone Company  
Cumby Telephone Cooperative, Inc.  
Dell Telephone Cooperative, Inc.  
Eastex Telephone Cooperative, Inc.  
Etex Telephone Cooperative, Inc.  
Five Area Telephone Cooperative, Inc.  
Ganado Telephone Company  
Industry Telephone Company  
Lake Livingston Telephone Company  
Laward Telephone Company  
Lipan Telephone Company  
Livingston Telephone Company  
Mid-Plains Rural Telephone Cooperative, Inc.  
Nortex Communications, Inc.  
Panhandle Telephone Cooperative, Inc.  
Peoples Telephone Cooperative, Inc.  
Poka Lambro Telephone Cooperative, Inc.  
Riviera Telephone Company, Inc.  
South Plains Telephone Cooperative, Inc.  
Southwest Arkansas Telephone Cooperative, Inc.  
Taylor Telephone Cooperative, Inc.  
Valley Telephone Cooperative, Inc.  
Wes-Tex Telephone Cooperative, Inc.  
West Plains Telecommunications, Inc.  
West Texas Rural Telephone Cooperative, Inc.  
XIT Rural Telephone Cooperative, Inc.